



Request for City Council Committee Action From the Department of Public Works

Date: February 18, 2003
To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee
Referral to: Honorable Barb Johnson, Chair Ways & Means Committee

Subject: Lowry Hill East Neighborhood Residential Lighting Project

Recommendation:

- 1) Amend the Resolution 2002R-447 designating the location, streets, and improvements proposed to be made in the Lowry Hill East Neighborhood Street Lighting Project. Special Improvement of Existing Street Number 2249 and modify the cost estimate appropriately.
- 2) Passage of a Resolution ordering the City Engineer to proceed and do the work and adopting the special assessments in the amount of \$1,290,000 for the Lowry Hill East Neighborhood Residential Lighting Project.
- 3) Adoption of the Committee Report giving preliminary approval to establish the street lighting project area as Street Lighting District Number 1295. (Chapter 431 of the Minneapolis Code of Ordinances provides that the City Council shall not give its final approval to the establishment of a Street Lighting District until at least two weeks after giving preliminary approval.) This project area has been modified per the direction of the council member.
- 4) Passage of a Resolution increasing the Public Works Transportation Street Lighting Capital appropriation by \$1,830,000 (4100-943-9432) for the Lowry Hill East Neighborhood Residential Lighting Project to be reimbursed by NRP in the amount of \$540,000 (4100-943-9432-3910) and by special assessments in the amount of \$1,290,000 (4100-943-9432-3845).
- 5) Passage of a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$1,290,000 for the Lowry Hill East Neighborhood Street Lighting Project with the bonds to be paid for from special assessments.

Previous Directives:

Resolution 2002R-447 passed February 15, 2002 designates improvements

Prepared or Submitted by: Beverly Jo Warmka, Transportation Engineer, 673-3762
Approved: Brian Lokkesmoe, P. E., City Engineer, Interim Director of Public Works

By: Greg Finstad _____
Presenters in Committee: Beverly Warmka, Transportation and Parking Services

Financial Impact

- ☐ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- ☒ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☒ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):
- ☐ Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached

The Lowry Hill East Neighborhood lighting project area has been modified to include 7 additional lights on the cross streets east of Aldrich Ave S. This modification was done at the request of the neighborhood and the council member.

1. Lowry Hill East Neighborhood Street Lighting Project

The proposed project to install low-level pedestrian scale street lighting and at selected locations high level lights was initiated by the neighborhood and a petition has been received with a 67.1% approval. Low and high level lights will be installed in the residential area of bounded by Hennepin Ave, 130 ft east of the east ROW line of Aldrich Ave S, and 28th St W. The area was modified by the addition of 7 lights east of Aldrich Ave S. This modification was done at the direction of the council member.

The previously submitted cost estimate of \$1,800,000 has changed to \$1,830,000 due to the addition of 7 lights on the eastern portion of the project area. The cost figures are as follows:

Lighting (design and construction)	\$1,691,000
Interim Financing Cost	<u>\$ 139,000</u>
Total	\$1,830,000

The project will be funded by \$540,000 NRP and by special assessments in the amount of \$1,290,000.

We are requesting an appropriation for the project in the amount of \$1,830,000.

The special assessments were determined by using the street influence zone area method with an assessment rate of approximately \$0.41 per square foot. This number does not reflect the NRP contribution.

The special assessments of more than \$150 would be collected over 20 years beginning on the 2004 real estate tax statements with interest charged at the same rate as the assessment bonds are sold for. The special assessments of \$150 or less would be collected in their entirety on the 2004 real estate tax statements with interest charged at the same rate as the assessment bonds are sold for. Information has been provided in the Notices as to how persons may prepay the special assessments in full without interest charges if they so choose.

2. Street Lighting District Number 1295

As provided in Chapter 431 (Street Lighting) of the Minneapolis Code of Ordinances, the street lighting project area is proposed to be established as Street Lighting District Number

1295. The annual maintenance and operation costs for this street lighting are standard cost which are paid by the City out of the General Fund. Non-governmental properties exempt from real estate taxes pay for street lighting maintenance and operation costs through special assessments. Chapter 431 provides for a lineal front footage method to determine street lighting maintenance and operation assessments. The assessment rate being used in Street lighting district Number 1295 is \$0.27 per lineal foot.

CM Niziolek and his staff have been working with the Transportation office and the neighborhood throughout the course of this project.

CC: Council Member Dan Niziolek, Ward 10
Jack Qvale, Secretary, Board of Estimate and Taxation
Suzette Hjermstad, Special Assessments